

HOVENSA Environmental Response Trust 2016 Budget

DRAFT

Please note this table represents the proposed ERT budget for 2016 and was originally submitted on April 15, 2016. Expenditures are tracked and recorded in a separate system.

Revised 7/18/16<sup>3</sup> & 10/13/16<sup>4</sup>

Approval Authority	ERT Account	ERT Agreement Wind Down Estimate Line Items		Funding Source												2016 Totals	
				ERT Account				RCRA Financial Assurance Trusts (Administered by EPA)				Limetree (As per Section 7.33 of the Asset Purchase Agreement)					Consent Decree Escrow <sup>5</sup>
Q1 2016 <sup>1</sup>	Q2 2016	Q3 2016	Q4 2016	Q1 2016 <sup>1</sup>	Q2 2016	Q3 2016	Q4 2016	Q1 2016 <sup>1</sup>	Q2 2016	Q3 2016	Q4 2016						
EPA	Remediation	1	PRPP - OWS Testing & Repair									\$21,362	\$44,250	\$44,250	\$44,250		\$154,112
EPA	Remediation	2	Scrap Metal / Recycle Yard Management											\$500,000	\$500,000		\$1,000,000
EPA	Remediation	3	Asbestos Landfill										\$5,000				\$5,000
EPA	Remediation	4	Corrective Action / Remediation / Hydrocarbon Recovery					\$231,000	\$520,500	\$520,500	\$520,500	\$77,000	\$76,250	\$76,250	\$76,250		\$2,098,250
EPA	Remediation	5	Landfarm 1 Post-Closure					\$5,000	\$15,500	\$15,500	\$15,500						\$51,500
EPA	Remediation	6	Landfarm 2 & 3 / RCRA Permit		\$26,000							\$25,000	\$123,000	\$123,000	\$123,000		\$420,000
DPNR	Remediation	7	TPDES														\$0
EPA	Remediation	8	WWT (Primary & Secondary)					\$102,586	\$212,500	\$525,000	\$525,000	\$150,863	\$312,500				\$1,828,448
US/VI	Administrative	9	Data & Records Management & Retention											\$50,000			\$50,000
DPNR	Remediation	10a	Consent Decree - VI SEP <sup>5</sup>													\$4,875,000	\$0
EPA		10b	Consent Decree - WAPA Project <sup>5</sup>	\$8,000	\$139,333	\$139,333	\$139,333										\$426,000
DPNR	Remediation	Line 11	Air Permitting / Title V														\$0
EPA	Remediation	Lines 12 - 24	Tier II, TRI / EI, TSCA, BWON, GHGs, CEMs, Boiler MACT, LDAR, Refinery MACTs, Regional Haze, SO2 non-attainment, SOCM-I-HON, Tank Requirements										\$35,000				\$35,000
EPA / DPNR	Remediation	Line 25	Potable Water / SDWA														\$0
US/VI	Administrative	26	Utilities: Electric														\$0
US/VI	Administrative	27	Utilities: Compressed Air & Water									\$6,035	\$12,501	\$12,501	\$12,501		\$43,538
US/VI	Administrative	28	Security														\$0
US/VI	Administrative	29	Business Operating Expenses									\$36,350	\$59,213	\$18,000	\$18,000		\$131,563
DPNR	Remediation	30	PLL Insurance Premium									\$1,407,692					\$1,407,692
US/VI	Administrative	31	Fees for Trust and Trustee									\$24,500	\$49,000	\$49,000	\$49,000		\$171,500
DPNR	Remediation	N/A	Marine Impact Study		\$80,000	\$120,000	\$120,000										\$320,000

				Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2016	Q2 2016	Q3 2016	Q4 2016	Q1 2016	Q2 2016	Q3 2016	Q4 2016		
			TOTALS	\$8,000	\$245,333	\$259,333	\$259,333	\$338,586	\$748,500	\$1,061,000	\$1,061,000	\$1,748,802	\$716,714	\$873,001	\$823,001	\$4,875,000	
			2016 ERT BUDGET (Excluding VI SEP)														\$8,142,603

Notes:

<sup>1</sup> Q1 expenses begin on February 17, 2016 which is the effective date of the HOVENSA ERT

<sup>2</sup> This approval requirement (Section 7.13.5 of the ERT Agreement) is interpreted to mean the U.S. represented by U.S. DOJ and the VI represented by the Virgin Islands Attorney General.

<sup>3</sup> Revisions requested by DOJ were made on 7/18/16 and are identified in red.

<sup>4</sup> Revisions requested by EPA were made on 10/13/16 and are identified in blue.

<sup>5</sup> These expenditures are subject to the terms of the Consent Decree between HOVENSA, L.L.C. and the United States of America (Civil Action No. 1:11-cv-00006)